

**Northwest Indiana Regional Development Authority
Application for Financial Support**

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Applicant

Northern Indiana Commuter Transportation District

Contact person: John Parsons

Mailing address: 33 East US Highway 12, Chesterton, IN 46304

Phone: 219-926-5744 x204

Email: john.parsons@nicted.com

Applicant's legal status: NICTD is a four-county commuter rail authority created under IC 8-5-15.

Project description

Due to significantly increasing ridership, NICTD has a need for 12 additional electric multiple unit passenger cars at an estimated cost of \$39 million. Eight of the 12 cars would be integrated into the service with an additional rush hour train to increase capacity and relieve overcrowding by adding 744 seats. The remaining four cars (372 seats) would help boost our spares ratio and enable us to better respond to special events that spike ridership on a daily basis.

Currently NICTD has 68 passenger cars in the fleet. Please see Attachment 1 for photos of passenger car fleet. We operate 63 out of 68 cars in daily service, leaving us with a 7% spares ratio, one of the narrowest of any commuter railroad in the country. This spares ratio makes the service extremely vulnerable to routine mechanical problems that may temporarily sideline equipment and reduce our ability to fully equip rush hour trains or meet demand during Chicago special events. Even more critical at this juncture is the fact that we are operating near capacity on most peak period and many of our popular off-peak trains. We believe these recent trends will continue as higher energy costs become a fact of life, motorists face increasing congestion along the Dan Ryan and Chicago skyway, and Chicago parking becomes more expensive. South Shore's capacity will be further challenged by a growing Chicago job market and the lure of Chicago as an off peak destination. See Attachment 1 for photos of rail car options.

Economic Impact Statement

NICTD carried over 3.8 million passengers in 2005, a 44 year record high. Weekday ridership grew by 5.9% while weekend ridership improved by 20.9%. According to a 2004 ridership survey conducted by Cypra & Associates, our typical rider is a middle age, female, mid-level manager earning roughly \$40,000 annually. In total our commuters return roughly \$230 million in salaries and wages to the northwest Indiana economy (Attachment 2 is a copy of the survey report).

Access to the Chicago's Loop nearly doubles the job base of Lake and Porter counties. Lake and Porter counties reported a total of 250,956 jobs in 2005 (Center For Work Force Innovations) compared with 481,875 in the CBD and Outer Business Ring of Chicago (see Attachment 3 **Where Workers Work, Illinois Department of Employment Security, 2005**).

We currently carry approximately 47% of Loop bound employment (draft **WLC Purpose and Need Report** page 4-17, attached). We could attract additional riders if we had more seats. In 2005, peak period and popular off-peak trains reported average occupancies of 91-101% in 2005:

2005 AVERAGE SEAT OCCUPANCY**			
WESTBOUND		EASTBOUND	
Chicago Arrival	Occupancy	Chicago Departure	Occupancy
5:40 am	76.1	3:58 pm	94.1
6:38 am	94.3	4:28 pm	96.3
7:21 am	84.5	4:57 pm	94.1
7:35 am	93.2	5:10 pm	89.4
7:47 am	88.4	5:28 pm	100.3
8:05 am	91.7	5:32 pm	70.4
8:31 am	100.1	5:58 pm	91.0
8:52 am	92.4	7:15 pm*	91.3
10:25 am*	76.6		
*Non rush-hour service			
**Average for Tuesday thru Thursday ONLY			

Quality of Life Impact Statement

Additional capacity will not only relieve overcrowding, providing a better experience for existing riders; but also provide seats for new riders reducing auto trips to the Loop and improving air quality (Attachment 4 contains NICTD's air quality computations).

Funding Request and Financial Analysis

Total project cost: \$39,000,000

Funds requested from RDA: \$7,800,000 grant

Total funds from other sources, both received and requested.

We have requested a State Allocation of federal CMAQ: \$31,200,000 (see Attachment 6 for letter to Commissioner Sharp). The RDA grant would match the CMAQ request.

Congestion Mitigation and Air Quality funds are part of the flexible funding provisions of the federal highway and transit authorization legislation.

Progress payments	RDA	INDOT CMAQ
2006 3 rd quarter	\$2,700,000	\$16,200,000
2006 4 th quarter	\$2,100,000	\$15,000,000
2007 1 st quarter	\$1,500,000	
2007 2 nd quarter	\$1,500,000	

Project Timeline

We would expect to advertise and award the project this summer with anticipated delivery of the first vehicle for testing and acceptance in 18 months with the remaining vehicles to follow. Full delivery is expected within 24 months of contract award.

Supporting Materials

The new rolling stock could also be used on the West Lake corridor as far as Munster. Attachment 7 is a map of the West Lake Corridor New Start proposals including the Munster alignment.